



**NEVADA ENVIRONMENTAL RESPONSE TRUST
LEPETOMANE XXVII, INC., NOT INDIVIDUALLY,
BUT SOLELY IN ITS REPRESENTATIVE CAPACITY AS TRUSTEE**

*Statement of Cash and Investments and Related Statement
of Cash Receipts and Cash Disbursements
December 31, 2018*

NEVADA ENVIRONMENTAL RESPONSE TRUST
LEPETOMANE XXVII, INC., NOT INDIVIDUALLY,
BUT SOLELY IN ITS REPRESENTATIVE CAPACITY AS TRUSTEE
STATEMENT OF CASH AND INVESTMENTS AND RELATED STATEMENT
OF CASH RECEIPTS AND CASH DISBURSEMENTS
DECEMBER 31, 2018

- 2 -

TABLE OF CONTENTS

	<u>PAGE</u>
Accountants' Compilation Report	3
Statement of Cash and Investments	4
Statement of Cash Receipts and Cash Disbursements	5
Supplementary Information	
Schedule of Cash Receipts and Cash Disbursements – Administrative Account	7
Schedule of Cash Receipts and Cash Disbursements – Environmental Cost Account	8



KUTCHINS
ROBBINS &
DIAMOND,
LTD.

ACCOUNTANTS' COMPILATION REPORT

To Le Petomane XXVII, Inc., not individually, but solely in its representative capacity as Trustee of the Nevada Environmental Response Trust
Henderson, Nevada

Management is responsible for the accompanying statement of cash and investments of the Nevada Environmental Response Trust as of December 31, 2018 and the related statement of cash receipts and cash disbursements for the three months ended December 31, 2018 in accordance with the accounting requirements of the Nevada Environmental Response Trust Agreement, and for determining that the accounting requirements per the Nevada Environmental Response Trust Agreement is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the statement of cash and investments or the related statement of cash receipts and cash disbursements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the statement of cash and investments and the statement of cash receipts and cash disbursements.

The statement of cash and investments and the statement of cash receipts and cash disbursements is prepared in accordance with the accounting requirements of the Nevada Environmental Response Trust Agreement, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the accounting requirements of the Nevada Environmental Response Trust Agreement. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Supplementary Information

The accompanying schedules of cash receipts and cash disbursements on pages 7 and 8 are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Kutchins, Robbins & Diamond, Ltd.

Chicago, Illinois
January 24, 2019

**NEVADA ENVIRONMENTAL RESPONSE TRUST
LEPETOMANE XXVII, INC., NOT INDIVIDUALLY,
BUT SOLELY IN ITS REPRESENTATIVE CAPACITY AS TRUSTEE**

- 4 -

STATEMENT OF CASH AND INVESTMENTS

DECEMBER 31, 2018

See accountants' compilation report.

ASSETS

CASH AND CASH EQUIVALENTS

Checking account, US Bank	\$ 3,029,640.29
First American Government Obligation Fund, US Bank	<u>41,322,341.18</u>
Total cash and cash equivalents	<u>44,351,981.47</u>

MARKETABLE SECURITIES (AT COST)

U.S. Treasury notes	36,639,273.76
U.S. government agency obligations	628,266,702.40
Corporate bonds	115,444,769.86
Foreign bonds and notes	32,103,447.04
Domestic common stocks	206,423,263.71
Foreign stocks	<u>26,594,863.39</u>
Total marketable securities (at cost)	<u>1,045,472,320.16</u>

Total assets	<u>\$ 1,089,824,301.63</u>
--------------	----------------------------

TRUST EQUITY

<u>\$ 1,089,824,301.63</u>

**NEVADA ENVIRONMENTAL RESPONSE TRUST
LEPETOMANE XXVII, INC., NOT INDIVIDUALLY,
BUT SOLELY IN ITS REPRESENTATIVE CAPACITY AS TRUSTEE**

- 5 -

**ADMINISTRATIVE ACCOUNT AND ENVIRONMENTAL COST ACCOUNT
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
THREE MONTHS ENDED DECEMBER 31, 2018**

See accountants' compilation report.

TOTAL CASH AND SECURITIES AT SEPTEMBER 30, 2018 \$ 1,100,864,662.61

RECEIPTS

AIG Specialty Insurance	\$ 222,508.91	
Basic Management, Inc.	525,000.00	
The Landwell Company	975,000.00	
Treco LLC - interest	303,501.58	
Tronox, LLC	82,736.58	
Willis of Illinois	1,380.00	
Sale of equipment	5,100.00	
Interest earned - U.S. treasury notes	341,875.00	
Interest earned - First American Government Obligation Fund	316,281.18	
Interest earned - U.S. government agency bonds and notes	3,136,461.82	
Interest earned - corporate bonds	637,309.51	
Interest earned - foreign bonds	295,793.76	
Dividends earned - domestic	1,573,057.12	
Dividends earned - foreign	214,286.84	
Loss on sale of securities	(5,946,903.30)	
		2,683,389.00

DISBURSEMENTS

Accrued interest purchased	109,475.10	
Amortized premiums	1,141,786.89	
Arcadis US, Inc.	13,676.30	
Asset Consulting Group	40,000.00	
Baker Corporation	59,840.00	
Bank and investment fees	177,106.09	
Brantley Security Systems	147.00	
Cashman Equipment Company	167,093.03	
Century Link	1,135.40	
Envirogen Technologies, Inc.	1,231,273.68	
Foley & Lardner LLP	186,270.50	
LePetomane XXVII, Inc.	88,627.00	
LePetomane, Inc.	129,143.78	
Lewis Roca Rothgerber Christie LLP	6,048.00	
Nevada Division of Environmental Protection	88,357.65	
Nevada Division of Water Resources	720.00	
NV Energy	31,559.54	
Paychex, payroll expense	57,921.98	
Rain for Rent	41,848.59	
Ramboll Environ US Corp.	2,238,554.12	
Schiff Hardin LLP	17,547.00	
Stimulus Technologies	1,912.50	
Tetra Tech, Inc.	7,829,007.10	
Travelers Insurance	1,345.00	
Tronox LLC	3,353.73	
United States Environmental Protection Agency	60,000.00	
		(13,723,749.98)

TOTAL CASH AND SECURITIES AT DECEMBER 31, 2018 \$ 1,089,824,301.63

SUPPLEMENTARY INFORMATION

**NEVADA ENVIRONMENTAL RESPONSE TRUST
LEPETOMANE XXVII, INC., NOT INDIVIDUALLY,
BUT SOLELY IN ITS REPRESENTATIVE CAPACITY AS TRUSTEE**

- 7 -

SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS

ADMINISTRATIVE ACCOUNT

THREE MONTHS ENDED DECEMBER 31, 2018

See accountants' compilation report.

TOTAL CASH AND SECURITIES AT SEPTEMBER 30, 2018 \$ 59,038,270.33

RECEIPTS

Tronox, LLC	\$ 82,736.58	
Willis of Illinois	1,380.00	
Interest earned - First American Government Obligation Fund	5,364.04	
Interest earned - U.S. government agency bonds and notes	264,161.81	
Interest earned - corporate bonds	35,363.88	
Interest earned - foreign bonds	16,875.00	
Dividends earned - domestic	78,641.38	
Dividends earned - foreign	10,699.52	
Loss on sale of securities	<u>(297,596.13)</u>	
		197,626.08

DISBURSEMENTS

Accrued interest purchased	2,443.70	
Amortized premiums	75,110.66	
Asset Consulting Group	40,000.00	
Bank and investment fees	9,968.18	
Brantley Security Systems	147.00	
Foley & Lardner, LLP	66,625.00	
LePetomane XXVII, Inc.	52,706.50	
LePetomane, Inc.	57,927.31	
Ramboll Environ US Corp.	240.30	
Schiff Hardin LLP	<u>17,547.00</u>	
		<u>(322,715.65)</u>

BALANCE AT DECEMBER 31, 2018 \$ 58,913,180.76

SUMMARY OF ADMINISTRATIVE CASH AND SECURITIES (AT COST) POSITIONS

Checking Account, US Bank		\$ 221,274.80
First American Government Obligation Fund, US Bank		1,639,657.50
U.S. Government agency obligations	\$ 37,312,153.09	
Corporate bonds	6,637,048.09	
Foreign bonds and notes	1,456,967.29	
Domestic common stocks	10,318,471.60	
Foreign stocks	<u>1,327,608.39</u>	
Total marketable securities (at cost)		<u>57,052,248.46</u>
		<u>\$ 58,913,180.76</u>

**NEVADA ENVIRONMENTAL RESPONSE TRUST
LEPETOMANE XXVII, INC., NOT INDIVIDUALLY,
BUT SOLELY IN ITS REPRESENTATIVE CAPACITY AS TRUSTEE**

- 8 -

SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS

ENVIRONMENTAL COST ACCOUNT

THREE MONTHS ENDED DECEMBER 31, 2018

See accountants' compilation report.

TOTAL CASH AND SECURITIES AT SEPTEMBER 30, 2018 \$ 1,041,826,392.28

RECEIPTS

ALG Specialty Insurance	\$ 222,508.91	
Basic Management, Inc.	525,000.00	
The Landwell Company	975,000.00	
Sale of Equipment	5,100.00	
Treco LLC - interest	303,501.58	
Interest earned - First American Government Obligation Fund	310,917.14	
Interest earned - U.S. government agency bonds and notes	2,872,300.01	
Interest earned - U.S. Treasury notes	341,875.00	
Interest earned - corporate bonds	601,945.63	
Interest earned - foreign bonds	278,918.76	
Dividends earned - domestic	1,494,415.74	
Dividends earned - foreign	203,587.32	
Loss on sale of securities	(5,649,307.17)	
	<hr/>	2,485,762.92

DISBURSEMENTS

Accrued interest purchased	107,031.40	
Amortized premiums	1,066,676.23	
Arcadis US, Inc.	13,676.30	
Baker Corporation	59,840.00	
Bank and investment fees	167,137.91	
Cashman Equipment Company	167,093.03	
Century Link	1,135.40	
Envirogen Technologies, Inc.	1,231,273.68	
Foley & Lardner LLP	119,645.50	
LePetomane XXVII, Inc.	35,920.50	
LePetomane, Inc.	71,216.47	
Lewis Roca Rothgerber Christie LLP	6,048.00	
Nevada Division of Environmental Protection	88,357.65	
Nevada Division of Water Resources	720.00	
NV Energy	31,559.54	
Paychex - payroll expense	57,921.98	
Rain for Rent	41,848.59	
Ramboll Environ US Corp.	2,238,313.82	
Stimulus Technologies	1,912.50	
Tetra Tech, Inc.	7,829,007.10	
Travelers Insurance	1,345.00	
Tronox, LLC	3,353.73	
United States Environmental Protection Agency	60,000.00	
	<hr/>	(13,401,034.33)

BALANCE AT DECEMBER 31, 2018 \$ 1,030,911,120.87

SUMMARY OF ENVIRONMENTAL CASH AND SECURITIES (AT COST) POSITIONS

Checking account, US Bank		\$ 2,808,365.49
First American Government Obligation Fund, US Bank		39,682,683.68
U.S. Treasury notes	\$ 36,639,273.76	
U.S. government agency obligations	590,954,549.31	
Corporate bonds	108,807,721.77	
Foreign bonds and notes	30,646,479.75	
Domestic common stocks	196,104,792.11	
Foreign stocks	25,267,255.00	
Total marketable securities (at cost)	<hr/>	988,420,071.70
		<u><u>\$ 1,030,911,120.87</u></u>